

EXHIBIT 1

Letter of Intent



December 23, 2024

VIA ELECTRONIC MAIL

Inroads Realty
Attention: Taylor Lemaster
Email: tlemaster@inroadsrealty.com

Re: Letter of Intent with respect to that certain real property located at 2855 Ridge Rd, Rockwall, TX 75032 (the "Property")

Dear Taylor:

Goodwill Industries of Dallas, Inc. ("Tenant") submits this letter of intent (this "LOI") as an indication of its interest in entering into a lease agreement for the Premises described below with the owner of the Property ("Landlord"). Please note that this expression of interest is not comprehensive, and except as provided below, does not constitute a binding agreement between the parties, who shall be bound on this transaction only at such time as a definitive lease agreement (a "Lease") is executed by Landlord and Tenant.

Tenant: Goodwill Industries of Dallas, Inc., a Texas non-profit corporation, with an address at 3020 North Westmoreland Road, Dallas, TX 75212.

Premises: Approximately 36,878 square feet at the Property as more specifically described on Schedule 1 attached hereto.

Lease Term: Ten (10) years primary term with two (2) options to extend the term for a period of five (5) years each.

Annual Base Rent:

Initial term: Years 1-5: \$11.00 per square foot, triple net.
Years 6-10: \$12.10 per square foot, triple net.
First extension term: \$13.31 per square foot, triple net.
Second extension term: \$14.64 per square foot, triple net.

Additional Rent: In addition to the base rent, Tenant will pay as additional rent Tenant's proportionate share of common area maintenance expenses, property taxes and insurance ("Additional Rent"). Such Additional Rent is currently estimated to be \$4.00 per square foot per year and shall not increase more than five percent (5%) per year. Additional Rent shall not include, and Tenant shall not be responsible for (i) any impact fees, and (ii) any increase in the property taxes during the term of the Lease as a result of a sale of the Property and/or the Premises by Landlord.

Rent Commencement Date: The date that is the later of (i) 150 days following receipt of all applicable permits needed prior to commencement of Tenant's work at the Premises, or (ii)



the date on which Tenant opens to conduct the Tenant Business (as defined below). Prior to such date, Tenant shall not be required to make any payments on account of Annual Base Rent or Additional Rent.

Lease Commencement Date: The date of execution of the Lease by Landlord and Tenant.

Use of Premises: The Premises shall be used and occupied primarily for the sale, processing and collection of donations of new and used items including clothing, furniture, small appliances, and other items normally sold at a Goodwill Store (the "**Tenant Business**") So long as Tenant is not in default under the Lease (any required notice having been given and any applicable cure period having expired), Tenant shall have the exclusive use ("**Exclusive Use**") to operate the Tenant Business at the Premises and Landlord shall not lease or rent any other portion of the Property to a tenant or occupant whose business is similar to the Tenant Business. Landlord agrees it shall permit the placement of a Goodwill donation receptacle/bin as shown in **Schedule 1** attached hereto. Landlord further agrees it shall not permit the use of any donation receptacles/bins at the Property.

Security Deposit: None.

Rent Abatement: None.

Delivery and Condition of the Premises: Landlord will deliver the Premises in accordance with **Schedule 2** attached hereto.

Inspection of the Premises: Tenant reserves the right to inspect the Premises and make additions to the condition of the Premises set forth in the immediately preceding paragraph.

Tenant Improvement Allowance: \$10.00 PSF

Donation Drop-Off Area: A carport with donation area or designated drop-off parking shall be constructed at a mutually acceptable and customer friendly location. Tenant will require 3 donation only parking stalls. Tenant will provide signage consistent with its signage at similar locations and as is otherwise in keeping with generally accepted shopping center design standards.

Parking Lot: Landlord represents that it shall not encumber the existing parking lot with any leases or agreements that would allow any other donation collection users to park or utilize the existing parking lot.

Brokerage: Landlord and Tenant acknowledge that John Day and Eric Rothbart of Venture Commercial are acting as Tenant's exclusive broker representative ("**Broker**") Taylor Lemaster is acting as Landlord's exclusive broker in this transaction. Landlord shall pay Broker a commission in connection with the transaction contemplated in this LOI in accordance with a separate written agreement.



Goodwill Industries of Dallas, Inc.

Disclosure: Within two (2) business days following the execution of this LOI by both parties, Landlord shall (i) provide evidence of the current zoning of the Property under any applicable zoning ordinance of the City of Rockwall, Texas, (ii) disclose any other matters of record that would preclude Tenant from operating the Tenant Business, and (iii) supply Tenant with a current title report and a copy of any Declaration of CC&Rs, which may affect the subject Property.

Confidentiality: Landlord and Tenant and their respective affiliates and agents shall maintain the confidentiality of the parties, terms and conditions of this LOI and the proposed transaction, provided, however, that either party may disclose such information to its employees, directors, officers, attorneys, consultants, financial advisors or lenders.

Exclusivity: Upon Landlord's acceptance of this LOI, Landlord and its affiliates and agents agree (i) to negotiate exclusively with Tenant to reach a mutually acceptable Lease upon the terms set forth herein, and (ii) to refrain from soliciting, making, accepting, negotiating, facilitating or otherwise pursuing any other offers for a lease of the Premises.

The transaction contemplated herein is subject to the negotiation, approval and execution of a mutually-satisfactory Lease and all other documents necessary and appropriate to accomplish the transaction contemplated herein. Until a Lease is executed by landlord and Tenant, neither party shall have any legal duty or obligation to the other, provided, however, that the provisions contained in the paragraphs entitled "Broker", "Confidentiality", and "Exclusivity" shall be binding upon the parties.

This LOI shall expire seven (7) days after the date first written above.

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Goodwill Industries of Dallas, Inc.

If the forgoing terms are acceptable to Landlord, please arrange for execution a copy of this LOI prior to its expiration where indicated below and return a signed version via electronic mail to Mackenzi Marinovich at Mackenzi.Marinovich@goodwilldallas.org.

Regards,

GOODWILL INDUSTRIES OF DALLAS, INC.

By: *D. Fricke*

Name: Dana Fricke

Title: CFO

**ACCEPTED AND AGREED TO AS OF
THE FIRST DATE WRITTEN ABOVE:**

By: _____

Name:

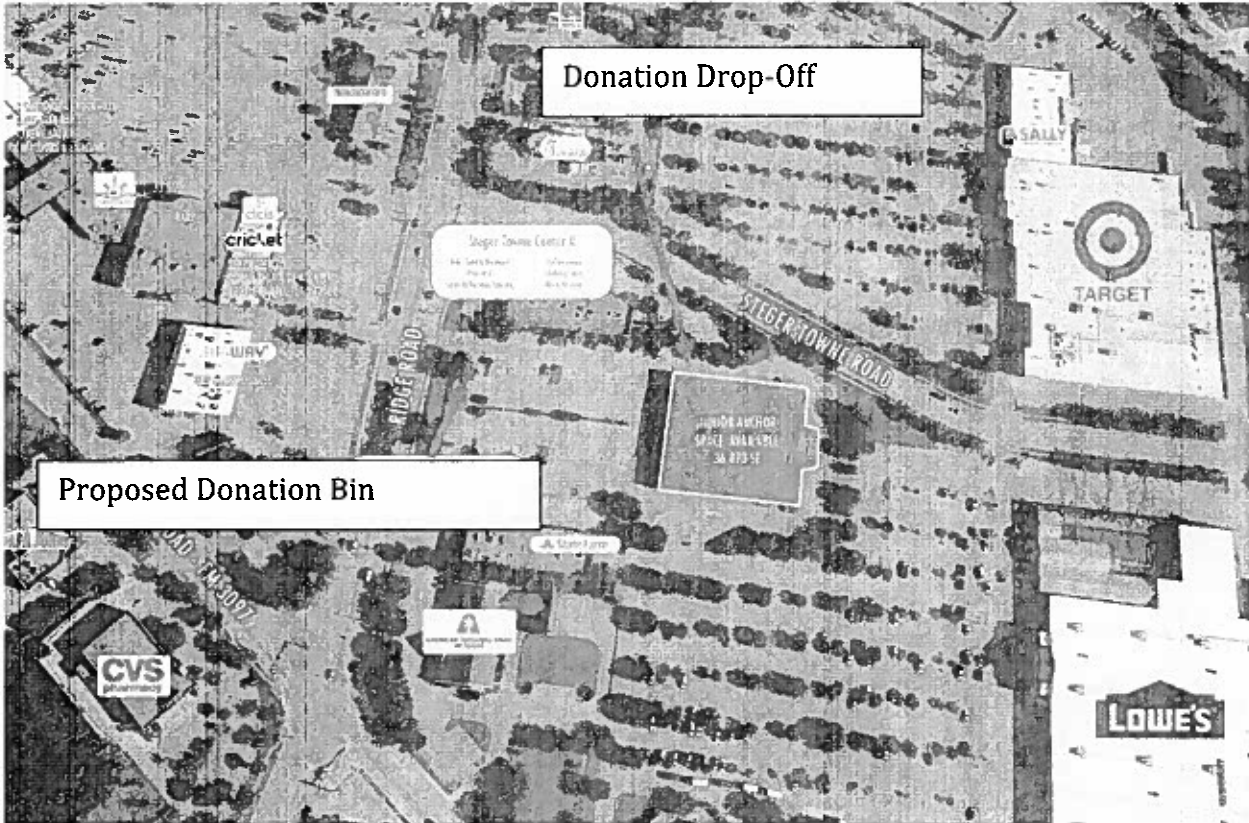
Title:



Goodwill Industries of Dallas, Inc.

Schedule 1

2855 Ridge Rd, Rockwall, TX 75032





Goodwill Industries of Dallas, Inc.

Schedule 2

1. All mechanical, electrical and plumbing equipment, including but not limited to, electrical service panels, ceiling light fixtures, fire sprinklers and fire safety equipment, etc., to be code compliant and delivered to Tenant in good working order.
2. New Heating, ventilation, air-conditioning equipment and proper ducting throughout the entire Premises to be installed (one ton per 300 square feet throughout the Premises) for Tenant's use per code with proper load calculations.
3. Any existing, damaged or broken glazing shall be replaced.
4. Landlord to install 2 loading docks. Tenant shall have Exclusive Use of the loading dock and/or the roll-up door behind the Premises.
5. All entry, receiving and interior doors shall be operable.
6. Storefront shall consist of automatic double front doors.
7. Any broken and discolored ceiling tiles shall be replaced.
8. The Premises shall be delivered broom clean.
9. Landlord to supply at least one (1) Americans with Disabilities Act compliant restroom in compliance with local code.
10. Roof and building envelope to be water-tight and the Property shall be free of rodents and other pests.